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This Week in Japan

2000

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Report Highlights:

A summary of events and developments in the United States' largest export market for agricultural, forestry, and fishery products. This week's highlights include:

- **FMD Outbreak in Korea Results in Japanese Ban on Beef/Pork Imports;**
- **Housing/Wood Product Talks Lead to Market Opportunities;**
- **ATO Osaka GAF Presentations Achieve Success with Ujita Supermarket and Kintetsu Department Stores;**
- **Imports of U.S. Crabs in 1999 Reach Highest Value Since 1996.**

Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Tokyo [JA1], JA



This Week in Japan

An Update of Major News and Events from the Largest U.S. Agricultural Export Market

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- i FMD Outbreak in Korea Results in Japanese Ban on Beef/Pork Imports:** On March 27, Japan placed a temporary ban on all beef and pork imports from South Korea due to a reported outbreak of foot-and-mouth disease (FMD), according to the Ministry of Agriculture, Forestry and Fisheries (MAFF). Over the weekend Korean officials confirmed the FMD outbreak. Coincidentally, on March 25 MAFF announced the possibility of FMD in Miyazaki Prefecture on the southern island of Kyushu. In 1999 Japan imported about 80,000 MT of frozen/chilled pork from Korea, comprising a 13% import market share, valued at about \$350 million. In order to meet the supply gap left by the ban on Korean pork, Japanese buyers must now source pork from primarily the United States, Canada, and Denmark. Japan's exports of fresh/frozen pork and beef products are insignificant. (AgAffairs Tokyo)
- i Housing/Wood Product Talks Lead to Market Opportunities:** Market access issues for U.S. wood products took another step forward during USTR Ambassador Fisher's visit to wrap-up talks on the 3rd Year Joint Statement of the U.S.-Japan Enhanced Initiative the end of last month. In part due to on-going technical meetings led by FAS/Japan and the U.S. wood industry "cooperators" in Japan, agreement was reached with Japan on regulation/standard issues in the housing sector. For example, Japan agreed to steps that would permit construction of 4-story wood-frame buildings and broader housing market reforms, measures that will lead to rejuvenated housing starts and demand for imported wood products. (AgAffairs Tokyo).
- i ATO Osaka GAF Presentations Achieve Success with Ujita Supermarket and Kintetsu Department Stores:** On March 28 the ATO Osaka held a GAF Showcase at the American Consulate-General multi-purpose room for the prestigious Ujita supermarket chain (annual sales \$686 million/6 stores) and Kintetsu department stores (annual sales \$2.85 billion/7 stores) located in the Kansai area. Highlights of the showcase included an American breakfast promotion corner with bagels, pancake mix, juices, peanut butter, frozen organic vegetables, coffee, and cheese. In all, 250 products from 50 U.S. food companies were presented. Both retail chains committed to hold American food fairs. (ATO Osaka)
- i Imports of U.S. Crabs in 1999 Reach Highest Value Since 1996:** Japan's imports of U.S. crabs (snow and king) in 1999 totaled 16,292 MT, a drop of 16%, due to reductions in the U.S. crab quota coupled with strong U.S. domestic demand. However, due to the reduced U.S. supplies, import value (CIF) increased about 20% to \$140 million, the highest level since 1996. During 2000, Japan's imports of U.S. snow crab are forecast to drop further due to a deep cut in the fishery quota. Despite Russian's leading 60% crab import market share, rapid depletion of the crab resource due to reported illegal fishing raises questions about the sustainability of Russia's harvest in the coming years. See JA0029 for details. (AgAffairs Tokyo)

Upcoming Events: April 3-4 Visit by Under Secretary August Schumacher

